GOVERNMENT OF INDIA
STEEL
LOK SABHA

STARRED QUESTION NO:293
ANSWERED ON:21.12.2004
SETTING UP OF STEEL PLANTS
Athawale Shri Ramdas;Satpathy Shri Tathagata

Will the Minister of STEEL be pleased to state:

(a) the number of Steel Plants in the country at present, State-wise;

(b) the number of licences issued for setting up of Steel Plants during the last three years in Public, Private and Joint Sector, State-wise;

(c) the number of applications lying pending so far, State-wise;

(d) whether some foreign and private sector companies as well have taken keen interest to set up steel plants in the country; and

(e) if so, the details thereof and the reaction of the Government thereto?

Answer

MINISTER OF CHEMICALS & FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) to (e) A statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. 293 TO BE ANSWERED ON 21.12.2004 BY SHRI RAMDAS ATHAWALE AND SHRI TATHAGATA SATPATHY REGARDING SETTING UP OF STEEL PLANTS.

(a) The state-wise list of domestic crude steel producers is as below. This list consists of Main Producers and producers employing EAF (Electric Arc Furnace) route and Corex /MBF - EOF (MBF-Mini Blast Furnace, EOF- Energy Optimising Furnace) routes of steel production.

Sl.No.	STATE	NUMBER
1	ANDHRA PRADESH	1
2	CHHATISGARH	3
3	CHANDIGARH	1
4	GOA	1
5	GUJARAT	2
6	HARYANA	3
7	JHARKHAND	5
8	KARNATAKA	4
9	KERALA	1
10	MAHARASHTRA	10
11	ORISSA	3
12	PUNJAB	4
13	RAJASTHAN	1
14	TAMIL NADU	1
15	U.P.	2
16	WEST BENGAL	7
	TOTAL	49

(b) According to the New Industrial Policy announced in July 1991, iron and steel Industry has been de-reserved and de-licensed barring certain locational restrictions. Three industrial licenses have been issued for setting up steel plants in the country during the last three years because of locational restrictions still in force.

(c) No application is pending for grant of industrial license for setting up of steel plants in the country.

(d) & (e) Foreign direct investment in the Steel sector is allowed up to 100% equity through the automatic route. Pohang Iron and Steel Company (POSCO) of South Korea and BHP Billiton of Australia have jointly proposed a 10 million tonne steel plant in the State of Orissa involving an investment of US $ 8 billion. As far as investment in the private sector is concerned, entrepreneurs are free to invest based on their commercial judgment. The Government welcomes creation of additional steel capacity and foreign direct investment.